Course Description

This course aims at familiarizing you with the current research in modern empirical macroeconomics. We will go over main topics of macroeconomics where heterogeneous agents play a key role such as: productivity and reallocation, uncertainty, inequality and polarization, trade and labor markets. Organization, assessment and scheduling are subject to change at my discretion.

Complementary PhD courses are offered by Prof. Berger, Prof. Lanteri (Macroeconomics with Heterogeneous Agents), Prof Collard-Wexler (IO models) and Prof. Xu (trade and entry models).

Organization

Classes will cover topics of recent interest in macroeconomic research. During the first half of a class, I will give an introduction to the topic and/or go over a canonical paper in the area. During the second half, a student will present a paper (≈ 30 min/≤ 15 slides) of their choice among those papers marked with an asterisk below. This student presentation should cover: (1) motivation and context; (2) data and empirical approach (identification, empirical methods), (3) quantitative approach (if applicable) and (4) results. Students should present with an eye towards
how the paper is written, what you would have done differently/improved and what extensions are possible. The slides for this class presentation need to be e-mailed to me one day in advance matthias.kehrig@duke.edu.

**Assessment**

Class attendance is mandatory, though it is not part of your final grade. Course grade is composed of a short research proposal to be presented at the end of the class and a presentation of recent research papers to be assigned in the first class. There will also be some empirical assignments.

Research Proposal: Every student taking the course for credit must develop a short research proposal. This should sketch out a research idea to the scope of an AER Papers & Proceedings paper (10 pages of text and a couple of tables and graphs). The proposal must be new and not be developed for another class. The purpose of it is to develop several research ideas early in your PhD and then pick good ones to pursue more seriously as a 2nd year paper/proposal. The paper should have:

- a research question that is important;
- data, empirical methodology and identification;
- preliminary results and outlook how to proceed in terms of a model.

The projects must be discussed with me by Sept 18 and will be presented (20 min) in the class on Sept 28. Classmates and I will discuss the project and provide feedback. By October 15, you will hand in the final version of the paper.

**Tentative course schedule**

**Aug 17**  
Introduction and logistics

**Aug 24**  
**Competitiveness and markups**

Markups

Competitiveness

Intangibles
### Aug 31
**Productivity and reallocation**

- **Trade & Labor**
  - Autor, Dorn, and Hanson (2013)*, Bloom, Draca, and Van Reenen (2009)

- **Technology**

### Sept 7
**(Mis-)Allocation**

- **Firm finance**

- **Non-convexities**

- **Information**

- **Networks**

### Sept 14
**Inequality and polarization**

- **Inequality**

- **Risk**

- **Polarization**

### Sept 21
free for research project

### Sept 28
Student presentations

### Oct 15
Project due
References


